

Sustaining State Funding



for Tobacco Control

A STORY FROM C O L O R A D O

BACKGROUND

- In 2003 and again in 2004, the Colorado legislature drastically reduced Master Settlement Agreement funding for the State Tobacco Education and Prevention Partnership (STEPP) within the Colorado Department of Public Health.
- Based on CDC's Best Practices funding recommendations, Colorado should be spending a minimum of \$24.5 million a year on its comprehensive tobacco control program. In 2004, the state spent \$4.3 million a year on tobacco prevention and control.
- Prior to November 2004, Colorado's 20-cent cigarette excise tax was one of the lowest in the nation. The state cigarette tax had last been raised in 1986.
- A coalition called Citizens for a Healthier Colorado was formed to work toward passage of Amendment 35: Tobacco Tax Increase for Health-Related Purposes.



WHAT did Citizens for a Healthier Colorado want?

- To raise the cigarette excise tax from 20 cents to 84 cents and the excise tax on other tobacco products from 20% to 40% of the manufacturer's list price.
- To earmark revenues from the tax increases for tobacco use prevention and treatment; for the expansion of health care for low-income Coloradans; and for the prevention, early detection, and treatment of cancer and heart and lung disease.

WHO could give this to them?

- Voters (the Colorado constitution requires all tax increases to be voted directly by the people)
- Legislature (to appropriate funds when the referendum passed)

WHAT did voters and legislators need to hear?

Voters

- A health care crisis existed in Colorado, and tobacco excise tax revenues could be used to address this crisis.
- Funds would be used to address health issues such as cancer and heart and lung diseases.
- Higher taxes would prevent many young people from starting to smoke.
- The money would be protected by the state constitution and could not be reallocated for other purposes without a vote by the people.
- Colorado had one of the lowest cigarette excise taxes in the nation.

Legislators

- The promise made to the voters needed to be kept by appropriating funding for the initiative.
- The bill was comprehensive and would address not only tobacco prevention and control but also the prevention, early detection, and treatment of cancer and heart and lung disease.

From WHOM did the voters and legislators need to hear these messages?

- Voluntary health organizations such as the American Heart Association, the American Lung Association, and the American Cancer Society.
- The Children's Hospital and other health care groups.
- Doctors and patients affected by cancer and heart disease.
- Co-chairs of the Citizens for a Healthier Colorado Campaign — Barbara O'Brien from the Colorado Children's Campaign and Al Yates, president emeritus of Colorado State University. These were two well-respected and prominent professionals who were able to gather broad support for the effort.

HOW did Citizens for a Healthier Colorado get voters to hear their messages?

- Advertising on television and radio and through direct mail.
- A total of \$2.1 million was raised for the campaign, almost \$1 million of which went toward an extensive television advertising effort.

WHAT did Citizens for a Healthier Colorado and the State Tobacco Education and Prevention Partnership get?

- A 64-cent-per-pack increase in the state cigarette excise tax.
- An excise tax of 40% of the manufacturer's list price on non-cigarette products.
- Overwhelming support for the excise tax increase as indicated by the large majority who voted in favor of the ballot initiative.
- Both the tax increase and the proposed use of funds are part of the Colorado constitution thus preventing reallocation of revenues without a vote of the people.
- Earmarked revenues to go toward health initiatives such as the expansion of Medicaid Children's Health Insurance Program (CHIP) and Community Health Centers, and include at least \$25 million (16% of expected revenue) each year for tobacco prevention and treatment. This brings Colorado to the CDC-recommended minimum funding level for its comprehensive tobacco control program.

For further information, please contact

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